

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

-v-

ADOLPHUS QUAYE,

Defendant.

: INDICTMENT

07 CRIM. 651

COUNTS ONE THROUGH TWENTY-NINE
(False Claims Against the United States)

The Grand Jury charges:

Introduction

1. At all times relevant to this Indictment, ADOLPHUS QUAYE, the defendant, owned and controlled a tax-preparation service that operated under the business name "Capital First Management," which was located at 160 Warburton Avenue, Yonkers, New York.

2. At all times relevant to this Indictment, the Earned Income Tax Credit ("EITC"), sometimes called the Earned Income Credit ("EIC"), was a refundable federal income tax credit for low-income working individuals and families. The value of the EITC varied based upon factors such as the amount of a taxpayer's earned income, the number of the taxpayer's dependent children, and the taxpayer's filing status as single, married, or head of household. When a taxpayer's EITC exceeded the amount of taxes owed, it resulted in a tax refund for those who claimed and qualified for

the credit. To qualify for the EITC, a taxpayer had to meet certain requirements and file with the IRS a tax return, even if the taxpayer did not earn sufficient income that otherwise obligated the taxpayer to file a tax return.

The Scheme

3. From in or about July 2002 through in or about August 2002, ADOLPHUS QUAYE, the defendant, prepared and caused to be filed with the IRS numerous U.S. Individual Income Tax Returns seeking refunds. Those tax returns purported to be filed on behalf of then-living individuals, all of whose last names began with an "A," "G," or "P," ("The A, G, or P Taxpayers"). The majority of the returns listed, as the taxpayer's purported address, an address in common with other of the A, G, or P Taxpayers. The aforementioned returns also reported and claimed that each of "the A, G, or P Taxpayers" had, during the tax year 2001, earned the income reported therein on the Schedule C "Profit or Loss From A Business" attached to the return, and did so while supporting the minor dependants listed therein so as to qualify for an EITC.

4. The above-described tax returns were false and fraudulent in that each of the "the A, G, or P Taxpayers" was deceased at the time ADOLPHUS QUAYE prepared and filed a tax return on their behalf, as were all the individuals listed on said returns as the dependants who purportedly had been supported by "the A, G, or P Taxpayers" during the tax year 2001. Thus, none of the

deceased "A, G, or P Taxpayers" was entitled to obtain the tax refund in the amount sought.

Statutory Allegations

5. On or about the dates set forth below, in the Southern District of New York and elsewhere, ADOLPHUS QUAYE, the defendant, unlawfully, willfully, and knowingly did make and present, and willfully caused to be presented, to a person and officer in the civil service of the United States, and to a department and agency thereof, claims upon and against the United States, and a department and agency thereof, namely, the Internal Revenue Service of the United States Department of the Treasury, knowing such claims to be false, fictitious, and fraudulent, to wit, ADOLPHUS QUAYE, the defendant, prepared and presented, and caused to be prepared and presented, U.S. Individual Income Tax Returns purportedly on behalf of then-living individuals, identified below as "Taxpayers," which returns were filed with the IRS in order to obtain tax refunds, and which returns falsely and fraudulently reported that each of Taxpayers was then living; that each had, in the tax year 2001, earned the income reported therein on Schedule C "Profit or Loss From A Business;" and did so while supporting the minor dependants listed therein so as to qualify for an earned income tax credit, whereas, in truth and fact, each of the Taxpayers was deceased at the time ADOLPHUS QUAYE filed a tax return on their behalf, as were all the individuals listed on said returns as the dependants who purportedly had been supported by the

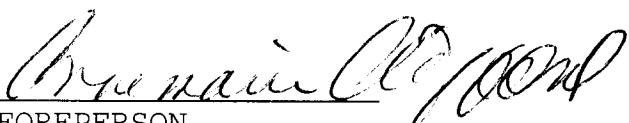
Taxpayers during the tax year 2001, and, as such, none of said Taxpayers was entitled to obtain the tax refund in the amounts listed below:

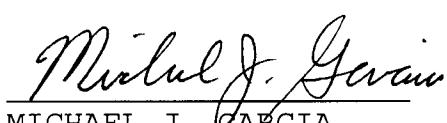
Count	Taxpayer Name	Tax Year	In Common Addresses	Refund	Date Return Filed
1	Anselmo A.	2001	16-50 METROPOLITAN AVE, APT 9A BRONX, NEW YORK	\$2,426	7/18/2002
2	James A.	2001	1210 WOODYCREST AVE, APT 5C BRONX, NEW YORK	\$2,474	7/18/2002
3	Robert A.	2001		\$2,474	7/18/2002
4	Dennis G.	2001	1210 WOODYCREST AVE, APT 5C BRONX, NEW YORK	\$2,435	7/18/2002
5	Anna E. G.	2001		\$2,479	7/18/2002
6	Renee P.	2001	160 WARBURTON AVE, APT 10F YONKERS, NEW YORK	\$2,477	7/18/2002
7	Robin A.	2001	160 WARBURTON AVE, APT 10F YONKERS, NEW YORK	\$2,479	7/19/2002
8	Patrick J. A.	2001	16-50 METROPOLITAN AVE, APT 9A BRONX, NEW YORK	\$2,284	7/19/2002
9	Adrian J. P.	2001	16-50 METROPOLITAN AVE, APT 9A BRONX, NEW YORK	\$2,452	7/19/2002
10	Rex A. P.	2001	1210 WOODYCREST AVE, APT 5C BRONX, NEW YORK	\$2,362	7/19/2002
11	Patricia K. A.	2001		\$2,474	7/20/2002
12	David A.	2001		\$2,452	8/01/2002

Count	Taxpayer Name	Tax Year	In Common Addresses	Refund	Date Return Filed
13	Jack P.	2001	41 GROSHON AVE, APT 2 YONKERS, NEW YORK	\$2,476	8/04/2002
14	Robert P.	2001	125 MOUNT HOPE PLACE, APT 5E BRONX, NEW YORK	\$2,433	8/04/2002
15	Laura S. A.	2001	41 GROSHON AVE, APT 2 YONKERS, NEW YORK	\$2,476	8/05/2002
16	William D. A.	2001		\$2,452	8/05/2002
17	Larry W. G.	2001		\$2,415	8/05/2002
18	Thelma P.	2001	125 MOUNT HOPE PLACE, APT 5E BRONX, NEW YORK	\$2,440	8/05/2002
19	Barbara J. A.	2001		\$2,430	8/07/2002
20	Sarah A. G.	2001	160 WARBURTON AVE, APT 10F YONKERS, NEW YORK	\$2,435	8/08/2002
21	Michael P.	2001		\$2,452	8/08/2002
22	Timothy E. G.	2001	125 MOUNT HOPE PLACE, APT 5E BRONX, NEW YORK	\$2,449	8/12/2002
23	Judy A. A.	2001		\$2,428	8/13/2002
24	Linda P.	2001		\$2,464	8/13/2002
25	Monty R. G.	2001	125 MOUNT HOPE PLACE, APT 5E BRONX, NEW YORK	\$2,476	8/14/2002
26	Alfonso P.	2001	120 GALE PLACE, APT 10H BRONX, NEW YORK	\$2,454	8/14/2002
27	Averill A.	2001		\$2,464	8/23/2002

Count	Taxpayer Name	Tax Year	In Common Addresses	Refund	Date Return Filed
28	Valeriano A.	2001	120 GALE PLACE, APT 10H BRONX, NEW YORK	\$2,452	8/24/2002
29	Kerry A.	2001		\$2,435	8/24/2002

(Title 18, United States Code, Sections 287 and 2.)


Valeriano A.
 FOREPERSON


Michael J. Garcia
 MICHAEL J. GARCIA
 United States Attorney

Form No. USA-33s-274 (Ed. 9-25-58)

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INDICTMENT

07 Cr.

Title 18, United States Code, Sections 287 & 2.

MICHAEL J. GARCIA
United States Attorney.

A TRUE BILL



Foreperson.

Post 11-1-87

7/18/07 Filed Ind.

